

DUE TO THE IMPACTS OF COVID-19 ON NORMAL BUSINESS OPERATIONS, THE ARIZONA STATE LAND DEPARTMENT IS EXTENDING THE DUE DILIGENCE TIME FOR POTENTIAL BIDDERS TO EVALUATE THE PROPERTY AND RELATED MATERIALS AVAILABLE FOR THIS AUCTION.

THE NEW BID SUBMISSION DATE IS TUESDAY, OCTOBER 20, 2020

**ARIZONA STATE LAND DEPARTMENT
1616 WEST ADAMS STREET
PHOENIX, ARIZONA 85007**

**PUBLIC AUCTION SALE NO. 53-120190 AND
PERPETUAL RIGHTS OF WAY NOS. 16-121118, 16-121120,
16-121121, 16-121123 AND 16-121125**

Pursuant to A.R.S. Title 37, notice is hereby given that the State of Arizona through its Arizona State Land Department ("ASLD"), will accept bid packages on the Bid Submission Date (defined below) and will sell at Public Auction to the highest and best bidder among the Qualified Bidders (defined below) on the Auction Date (defined below), at the Historic 1891 Courthouse, 135 North Pinal Street, Ironwood Room, Florence, Arizona (the "Place of Auction"), trust lands situated in Pinal County to wit:

LAND SALE NO. 53-120190 (SALE PARCEL)

TOWNSHIP 1 SOUTH, RANGE 8 EAST, G&SRM, PINAL COUNTY, ARIZONA

PARCEL: ALL, SECTION 17, CONTAINING 641.28 ACRES, MORE OR LESS.

PARCEL: LOTS 4 THRU 12; M&B IN LOTS 1, 2 & 3; E2, SECTION 18, CONTAINING 721.85 ACRES, MORE OR LESS.

PARCEL: LOTS 1 THRU 12; E2, SECTION 19, CONTAINING 747.99 ACRES, MORE OR LESS.

PARCEL: ALL, SECTION 20, CONTAINING 641.25 ACRES, MORE OR LESS.

PARCEL: M&B IN LOTS 1, 2 & 3; N2NE, SECTION 30, CONTAINING 30.76 ACRES, MORE OR LESS.

TOTAL ACRES CONTAINING 2,783.13 ACRES, MORE OR LESS.

LOCATION: SEC OF ELLIOT AND MERIDIAN ROADS, PINAL COUNTY, ARIZONA

RIGHT OF WAY NO. 16-121118 (WASTEWATER FACILITY AND RELATED APPURTENANCES)

TOWNSHIP 1 SOUTH, RANGE 8 EAST, G&SRM, PINAL COUNTY, ARIZONA

ONSITE PARCELS:

PARCEL: M&B THRU E2E2E2, SECTION 18, CONTAINING 9.094 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOTS 1, 2, 3, 4, 9 & 10; N2N2NE, SECTION 19, CONTAINING 19.613 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOT 3, SECTION 30, CONTAINING 0.511 ACRES, MORE OR LESS.

OFFSITE PARCELS:

PARCEL: M&B THRU LOTS 10 & 11, SECTION 30, CONTAINING 0.935 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOTS 2 & 5, SECTION 31, CONTAINING 7.381 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOTS 3, 4, 9 & 10, CONTAINING 8.585 ACRES, MORE OR LESS.

Said perpetual easement contains a total of 46.119 acres, more or less.

The Onsite Wastewater Facility and Related Appurtenances perpetual easement is located within the Sale Parcel and lies within portions of ROW Nos. 16-121120, 16-121123, 16-121125, and the future alignment of Warner Road. The Offsite Wastewater Facility and Related Appurtenances perpetual easement shall be located within a 546.68 acre, more or less, "Floating" area as described in the Right of Way Grant as Exhibit A. Said location will be determined after the Auction Date and shall contain a total of no more than 8.316 acres, more or less, upon its final location, as evidenced by "as-built" construction drawings.

RIGHT OF WAY NO. 16-121120 (PUBLIC ROADWAY)

TOWNSHIP 1 SOUTH, RANGE 8 EAST, G&SRM, PINAL COUNTY, ARIZONA

ONSITE PARCELS:

PARCEL: M&B THRU LOTS 3, 4, 9 & 10, SECTION 18, CONTAINING 8.291 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOTS 3, 4, 9 & 10, SECTION 19, CONTAINING 9.095 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOT 3, SECTION 30, CONTAINING 0.510 ACRES, MORE OR LESS.

OFFSITE

PARCEL: M&B THRU LOTS 3, 4, 9 & 10, SECTION 30, CONTAINING 8.585 ACRES MORE OR LESS.

Said perpetual easement contains a total of 26.481 acres, more or less.

RIGHT OF WAY NO. 16-121121 (PUBLIC ROADWAY)

TOWNSHIP 1 SOUTH, RANGE 8 EAST, G&SRM, PINAL COUNTY, ARIZONA

PARCEL: M&B THRU S2SESE, SECTION 19, CONTAINING 2.486 ACRES, MORE OR LESS.

PARCEL: M&B THRU S2S2S2, SECTION 20, CONTAINING 8.965 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOTS 1, 2 & 3; N2N2NE, SECTION 30, CONTAINING 8.014 ACRES, MORE OR LESS.

Said perpetual easement contains a total of 19.465 acres, more or less.

RIGHT OF WAY NO. 16-121123 (PUBLIC ROADWAY)

TOWNSHIP 1 SOUTH, RANGE 8 EAST, G&SRM, PINAL COUNTY, ARIZONA

PARCEL: M&B THRU N2N2N2, SECTION 17, CONTAINING 8.972 ACRES, MORE OR LESS.

PARCEL: M&B THRU LOTS 1, 2 & 3; N2N2NE, SECTION 18, CONTAINING 13.036 ACRES, MORE OR LESS.

Said perpetual easement contains a total of 22.008 acres, more or less.

RIGHT OF WAY NO. 16-121125 (PUBLIC ROADWAY)

TOWNSHIP 1 SOUTH, RANGE 8 EAST, G&SRM, PINAL COUNTY, ARIZONA

PARCEL: M&B THRU W2W2W2, SECTION 17, CONTAINING 0.046 ACRES, MORE OR LESS.

PARCEL: M&B THRU E2E2E2, SECTION 18, CONTAINING 0.036 ACRES, MORE OR LESS.

PARCEL: M&B THRU E2E2E2, SECTION 19, CONTAINING 0.126 ACRES, MORE OR LESS.

PARCEL: M&B THRU W2W2W2, SECTION 20, CONTAINING 0.241 ACRES, MORE OR LESS.

Said perpetual easement contains a total of 0.449 acres, more or less.

**BENEFICIARIES: COUNTY BOND
PERMANENT COMMON SCHOOLS (INDEMNITY SELECTIONS)**

PROPERTY INFORMATION:

(A) Rights of Way Nos. 16-121118 (Wastewater Facility and Related Appurtenances), 16-121120 (Public Roadway), 16-121121 (Public Roadway), 16-121123 (Public Roadway), and 16-121125 (Public Roadway) are hereinafter collectively referred to as the "Rights of Way". The Sale Parcel and Rights of Way are hereinafter collectively referred to as the "Subject Property". All of Rights of Way Nos. 16-121121, 16-121123, 16-121125, a 29.218 acre portion of Right of Way No. 16-121118 and a 17.896 acre portion of Right of Way No. 16-121120 (the "On-Site Rights of Way") are located within the Sale Parcel, and the values of On-Site Rights of Way are included in the Appraised Value of the Sale Parcel. A 16.901 acre portion of ROW No. 16-121118 and an 8.585 acre portion of ROW No. 16-121120 (the "Off-Site Rights of Way") are located outside of the Sale Parcel and are appraised separately. Complete legal descriptions of the Sale Parcel and Rights of Way are available in their respective files.

(B) Legal descriptions and depictions thereof for the Sale Parcel, the Retained Property, and all Rights of Way are located in the purchase application file for Public Auction Sale No. 53-120190.

(C) The Sale Parcel (including On-Site Rights of Way) has been appraised at \$68,000,000.00 ("Appraised Value"). The Off-Site Rights of Way have a combined appraised value of \$535,551.00. The Sale Parcel and Rights of Way will be auctioned together, with the full appraised value of the Off-Site Rights of Way due on the Auction Date.

(D) The appraised value of the improvements located on the Subject Property (the "Reimbursable Improvements") is \$869,718.00. The owner(s) of the improvements are Keith M. Flake and Earnhardt Ranches, L.L.C. A complete list of the improvements is available for viewing at ASLD.

(E) The complete files associated with the described Subject Property are open to public inspection at the ASLD, 1616 West Adams Street, Phoenix, Arizona, from 8:00 a.m. to 4:30 p.m., exclusive of holidays and weekends. Please direct any questions regarding this Public Auction to the Real Estate Division of ASLD at (602) 542-3000. This auction notice is available on the ASLD's website at www.azland.gov.

BIDDING INFORMATION:

(A) Prior to the Bid Submission Date, a prospective bidder shall perform his/her own due diligence including without limitation researching the records of local jurisdictions, all ASLD files pertinent to the auction and Subject Property including without limitation ASLD File Nos. 53-120190, 16-121118, 16-121120, 16-121121, 16-121123 and 16-121125 and files of all other public agencies regarding the Subject Property.

(B) On the Bid Submission Date, a prospective bidder or an authorized representative of a prospective bidder, other than a broker/salesperson, shall attend and submit a sealed bid on behalf of a prospective bidder.

(C) The Successful Bidder will be required to enter into, as the "Developer", the PARTICIPATION AND INFRASTRUCTURE CONTRACT REGARDING ASLD SALE NO. 53-120190 (the "Participation Contract"), a copy of which is located in ASLD File No. 53-120190 for this sale. The Participation Contract requires the Developer to, in addition to other obligations as stated therein, zone and otherwise entitle the Subject Property together with other property retained by ASLD (the "Retained Property", as described in the Participation Contract), construct certain improvements for the benefit of both the Subject Property and the Retained Property, and pay ASLD "Participation Payments" (as defined in the Participation Contract) in accordance with the terms of the Participation Contract.

Accordingly, ASLD has an interest in ensuring that all bidders have the financial capability and experience to completely perform all the obligations of the Participation Contract. Therefore, in order for a bid to be considered by ASLD, the prospective bidder submitting the bid must meet the following qualifications ("Bidder Qualifications"):

- 1) Have unrestricted cash or cash equivalents, combined with the amount undrawn on a formal credit facility, of not less than \$40,000,000.00;
- 2) Have an equity/net worth of not less than \$400,000,000.00;
- 3) Have a total debt as a percentage of total capitalization of not more than 50%; and
- 4) Have relevant experience with the planning, entitlement and development of a master planned community of at least 1000 acres and at least 2000 residential units.

Prospective bidders shall demonstrate that they meet the above financial requirements by providing financial statements, including balance sheet, income statement and cash flow statement for 2018, 2019 and the most recent quarter of 2020, prepared in accordance with generally accepted accounting principles either audited by or certified by a Certified Public Accountant or certified by prospective bidder's Chief Financial Officer. All prospective bidders shall complete a Bidder Qualification Questionnaire on the form provided by ASLD, which shall be submitted with prospective bidder's sealed bid and shall provide detailed information regarding (a) the above listed qualifications including evidence required by ASLD to confirm that such bidder satisfies the Bidder Qualifications and (b) other information about the bidder, its background and experience as well as information regarding its personnel that will allow ASLD to determine if the bidder is a Qualified Bidder. In addition to the Bidder Qualifications listed above, a bidder with a record, or whose officers, directors, or key employees have a record, of past default, bankruptcy or receivership, or whose officers, directors, or key employees have been convicted of a felony or adjudicated to have committed criminal or civil fraud, may, at ASLD's sole discretion, be determined by ASLD not to meet the Bidder Qualifications.

(D) At the time of submission of a prospective bidder's sealed bid, an authorized representative of a prospective bidder shall, in the presence of a Land Department official, sign an affidavit agreeing that: (1) the prospective bidder has undertaken due diligence in preparation for the auction; (2) the prospective bidder is purchasing the Subject Property solely upon the basis of its own due diligence and investigation of the Subject Property and not on the basis of any representation, express or

implied, written or oral, made by ASLD or its agents or employees; (3) the prospective bidder's representative is authorized to bid and bind the bidder; (4) the prospective bidder is purchasing the Subject Property AS IS and subject to all obligations described in the Participation Contract; (5) the prospective bidder satisfies all of the Bidder Qualifications set forth in (C) above; and (6) all information supplied in the Bidder Qualification Questionnaire is true, correct and complete.

(E) A prospective bidder who meets the Bidder Qualifications and has complied with the procedures contained in Paragraphs (A) through (D) above shall, subject to assessment and verification by ASLD, be deemed a "Qualified Bidder". ASLD shall only consider bids by Qualified Bidders.

(F) A Qualified Bidder shall submit its bid by delivering a bid package in a sealed envelope to ASLD's auctioneer at 1:00 p.m. on Tuesday, October 20, 2020 (the "Bid Submission Date") at the Place of Auction. The Qualified Bidder's bid package shall contain the following:

- 1) The Qualified Bidder's **highest and best** bid for the Sale Parcel. The initial minimum bid for the Sale Parcel is the Appraised Value of \$68,000,000.00. A bid for less than the Appraised Value of the Sale Parcel will not be considered.
- 2) A **Cashier's Check(s)** made payable to "Arizona State Land Department" in an amount equal to the sum of the following:
 - a) 10% of the Qualified Bidder's bid for the Sale Parcel;
 - b) A Selling and Administrative Fee in the amount of 3% of the Qualified Bidder's bid for the Sale Parcel;
 - c) The full appraised value of the Off-Site Rights of Way, which is \$535,551.00;
 - d) A Selling and Administrative Fee in the amount of 3% of the full appraised value of the Rights of Way, which is \$16,067.00;
 - e) Estimated Legal Advertising Costs, which are \$10,000.00;
 - f) Reimbursable Appraisal Fee to ASLD, which is \$15,000.00;
 - g) Reimbursable Costs and Expenses of \$183,400.00, if the Qualified Bidder is not the applicant;
 - h) Appraised value of the Reimbursable Improvements in the amount of \$869,718.00;
 - i) Right of Way Assignment Application Fees of \$1,000.00 each, totaling \$5,000; and
 - j) A Certificate of Purchase Fee of \$1,000.00.
- 3) The Bidder Qualification Questionnaire executed by an authorized officer of Qualified Bidder;
- 4) Two duplicate originals of the Participation Contract executed by an authorized officer of Qualified Bidder and one original of the Memorandum of the Participation Contract (the "Memorandum") executed by an authorized officer of the Qualified Bidder with its signature being acknowledged before a notary public; and
- 5) Two duplicate originals of the Assignment and Assumption of Commercial Lease No. 03-121496 executed by an authorized officer of Qualified Bidder.

The documents required to be included in a Qualified Bidder's bid package are available on ASLD's website at www.azland.gov.

(G) Following submissions of the bids:

- 1) If only one bidder submits a bid, ASLD shall have seven (7) calendar days from the Bid Submission Date to verify that the Bidder Qualifications have been satisfied. If satisfied,

ASLD shall notify the Successful Bidder and announce the winning bid seven (7) calendar days from the Bid Submission Date (or on the first business day thereafter if the 7th day following the Bid Submission Date falls on a legal holiday) at 1:00 p.m. at the Place of Auction, and by posting on ASLD's website at www.azland.gov and in such event the date of the announcement shall be considered the "Auction Date" hereunder.

2) If more than one bidder submits a bid, ASLD shall have fourteen (14) calendar days from the Bid Submission Date to assess the bids and determine: (1) which of the bidders are Qualified Bidders and (2) the highest bid amount submitted by a Qualified Bidder, which amount shall become the new "Minimum Bid" amount. The announcement of the Qualified Bidders and the Minimum Bid amount shall occur on the 14th day following the Bid Submission Date (or on the first business day thereafter if the 14th day following the Bid Submission Date falls on a legal holiday or an election day) at 1:00 p.m. at the Place of Auction, and by posting on ASLD's website at www.azland.gov; provided, however, in the event ASLD determines that ASLD is unable to assess and verify the qualifications of all bidders submitting bids within fourteen (14) days of the Bid Submission Date, ASLD may adjourn the auction and announce the future date and time upon which the auction shall be reconvened, and on that reconvened date ASLD shall announce: (1) which of the bidders are Qualified Bidders and (2) the highest bid amount submitted by a Qualified Bidder, which amount shall become the new "Minimum Bid" amount.

3) If there are multiple Qualified Bidders, an open auction will take place immediately following the announcement of the Qualified Bidders and the Minimum Bid amount pursuant to Paragraph (G)(2) above (and such date will be considered the "Auction Date" hereunder) at the Place of Auction among the Qualified Bidders designated as such by ASLD. The bidding will begin at the Minimum Bid (i.e., the highest bid submitted by a Qualified Bidder). A bid for less than the Minimum Bid will not be considered. Additional bidding must be made in minimum increments of \$100,000.00. Bidding will be conducted orally. The Qualified Bidder submitting the highest bid shall be declared the "Successful Bidder" and the amount of the highest bid the "Sale Price".

4) ASLD reserves the right to contact bidders during the bid assessment period to request additional information to verify that any bidder meets the minimum Bidder Qualifications, including but not limited to requesting additional financial information demonstrating financial ability to perform. ASLD may appoint outside consultants to verify Bidder Qualifications and to assist ASLD in assessing bids.

5) If, upon review and assessment of each bidder's Bidder Qualifications, ASLD determines that no bidder meets the minimum Bidder Qualifications, ASLD may declare the auction void.

(H) Pursuant to A.R.S. § 37-241(C), in the event the Successful Bidder does not complete the requirements of Terms of Sale Paragraphs (G) and (H) below, the ASLD Commissioner may declare that the bid placed before the final bid accepted is the highest bid, and that bidder has five (5) business days after notification by ASLD to complete the requirements of Terms of Sale Paragraphs (G) and (H) below.

(I) To comply with A.R.S. § 37-240(B), the Successful Bidder must be authorized to transact business in the State of Arizona no later than ten (10) business days after the Auction Date.

(J) Persons with a disability may request a reasonable accommodation such as a sign language interpreter by contacting the ADA Coordinator at (602) 542-2629. Requests should be made as early as possible to allow time to arrange the accommodation.

TERMS OF SALE:

(A) The Subject Property shall be purchased in an "AS-IS" condition "WITH ALL FAULTS", with no representation or warranty being made by ASLD of any type or nature. ASLD makes no warranty as to any matter or condition related to the Subject Property including the following: (a) the physical condition or any other aspect of the Subject Property, including, but not limited to, access to the Subject Property, the availability of zoning suitable for any intended use of the Subject Property, the ability to construct improvements or modify existing improvements on any portion of the Subject Property or the ability to obtain building permits for any portion of the Subject Property, the existence of soil instability, past soil excavation or fill conditions, water retention characteristics of the Subject Property, drainage onto or off of the Subject Property, the location of the Subject Property either wholly or partially in a flood plain or a flood hazard boundary or similar area, or any other matter affecting the stability or integrity of the Subject Property or any improvements constituting the Subject Property; or (b) the sufficiency of the Subject Property for Successful Bidder's purposes or as to its continued operating conditions or usefulness. All implied warranties, including, without limitation, **WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE**, are hereby expressly disclaimed.

(B) The Subject Property is sold subject to existing reservations, easements and rights of way.

(C) ASLD does not represent or warrant that access exists over lands which may intervene respectively between the Subject Property and the nearest public roadway.

(D) Pursuant to A.R.S. § 37-231, the State of Arizona or its predecessor in title reserve and retain all rights and all forms of access to all oil, gas, minerals, hydrocarbon substances and gaseous substances or any other material which is essential to the production of fissionable materials as provided by the rules and regulations of ASLD and the laws of Arizona.

(E) On the Auction Date, the Successful Bidder must sign an affidavit which states without limitation that he/she is the Successful Bidder, the amount of the Base Price (as defined in the Participation Contract), and that the Successful Bidder agrees to assume and perform all obligations of the Developer pursuant to the Participation Contract.

(F) On the Auction Date, the Successful Bidder shall execute the Rights of Way and complete the ASLD Assignment Applications to assign Right of Way No. 16-121118 (Wastewater Facility and Related Appurtenances) to Superstition Mountains Community Facilities District No. 1, and Rights of Way Nos. 16-121120 (Public Roadway), 16-121121 (Public Roadway), 16-121123 (Public Roadway) and 16-121125 (Public Roadway) to Pinal County.

(G) Within thirty (30) calendar days after the Auction Date, the Successful Bidder will pay: (i) 10% of the Sale Price, less the amount paid pursuant to Bidding Information Paragraph (F)(2)(a) above; (ii) the balance of the Selling and Administrative fee in the amount of 3% of the Sale Price,

less the amount paid pursuant to Bidding Information Paragraph (F)(2)(b) above; and (iii) the actual Legal Advertising Costs, less the amount paid pursuant to Bidding Information Paragraph (F)(2)(e) above.

(H) Within thirty (30) calendar days after the Auction Date, ASLD will:

- 1) Insert the Per Acre Price in Section 6.1(a) and (b) of the signed Participation Contract;
- 2) Countersign the Participation Contract and the Memorandum;
- 3) Return a duplicate original of the Participation Contract to the Successful Bidder;
- 4) Return the original Memorandum to the Successful Bidder for recording in the records of Pinal County, Arizona;
- 5) Issue to the Successful Bidder a Certificate of Purchase for the Sale Parcel; and
- 6) Return a duplicate original of the Assignment and Assumption of Commercial Lease No. 03-121496 to the Successful Bidder.

(I) Interest shall accrue from the Auction Date on any outstanding principal at a fixed rate equal to 7.00%. The remaining balance of the Sale Price shall be paid in accordance with the Participation Contract. The principal portion of any prepayment hereunder shall be applied pursuant to the Participation Contract as a credit toward the next partial patent requested by Successful Bidder until applied in full. If not sooner paid, the entire remaining balance of the Sale Price, with interest thereon, shall be due and payable on the 25th anniversary of the Auction Date.

(J) If the Successful Bidder fails to pay a Monetary Obligation (as defined in the Participation Contract) including an Infrastructure Payment (as defined in the Participation Contract), or fails to complete a Project Entitlement (as defined in the Participation Contract) by the applicable Project Milestone (as defined in the Participation Contract), or fails to satisfy a Sales Hurdle (as defined in the Participation Contract), ASLD may terminate the Participation Contract in accordance with the terms thereof and as a result of said termination the Successful Bidder shall forfeit all amounts paid, which amounts shall be deemed rent for the Sale Parcel pursuant to A.R.S. § 37-241(C)(1). If the Successful Bidder fails to make any payment required pursuant to the Certificate of Purchase and fails to obtain, or the Commissioner has elected not to grant an extension for such payment in accordance with the provisions of A.R.S. § 37-247(C), then the remedies of ASLD shall be as specified by A.R.S. § 37-247.

(K) Except as set forth in the Participation Contract, the Successful Bidder shall not, without prior written approval of ASLD in its sole discretion:

- 1) Construct any improvements (as that term is defined in A.R.S. § 37-101),
- 2) Disturb any soil, or
- 3) Deposit any fill material,

on any portion of the Subject Property that has not been subject to a partial patent or Right of Way.

ADDITIONAL CONDITION(S):

(A) The Patent for the Sale Parcel shall include the following conditions and restrictions:

- 1) Register Eligible Sites, AZ U:10:169(ASM) and AZ U:10:354(ASM), exist on the Sale Parcel, which are identified in a cultural resources inventory report entitled *An Archaeological Survey of the Lost Dutchman Auction Property in Pinal County, Arizona (2020)*, which includes information significant in this State's history, architecture, archaeology, or culture.

The Arizona State Historic Preservation Office has determined that the sites are eligible for inclusion on the Arizona Register of Historic Places and may also meet eligibility criteria for listing on the National Register of Historic Places.

2) Patentee shall be responsible for data recovery pursuant to the Historic Properties Treatment Plan, entitled *Data Recovery Plan for the ASLD 8500 Auction Parcel 1 and ROW in Pinal County, Arizona (2020)*. Until data recovery is complete, the patentee shall retain a qualified archaeologist holding a valid Arizona Antiquities Act Blanket Permit (the "Consultant") to place and maintain barbed wire fencing on the boundary of sites AZ U:10:169(ASM) and AZ U:10:354(ASM), and shall neither cause, nor allow, any ground-disturbance of any sort within the fenced areas, or along the fence lines.

3) In the event that previously unreported cultural resources are encountered during ground-disturbing activities, all work must immediately cease within 30.48 meters (100 feet), until the Consultant has documented the discovery and evaluated its eligibility for the Arizona or National Register of Historic Places, in consultation with the Arizona State Historic Preservation Office ("SHPO") and the Arizona State Museum ("ASM"). If the previously unreported cultural resources are determined to be Register Eligible Site or Sites, the Consultant shall consult with the SHPO on behalf of the patentee, to take such actions as are necessary to avoid, preserve, protect, or mitigate impacts on the Register Eligible Site or Sites. In the event that avoidance, preservation and protection of the Register Eligible Site or Sites cannot be accomplished, the patentee shall ensure that a new Historic Properties Treatment Plan is created, in consultation with and acceptable to the ASM and the SHPO, or their successor agencies, and that the remaining data recovery is implemented and completed, prior to any Register Eligible Site or Sites being affected. Any and all artifacts and records recovered from the property shall be curated according to the Arizona State Museum Conservation and Curation Standards as established in rules implementing the Arizona Antiquities Act.

4) If human remains are encountered during ground-disturbing activities, all work shall immediately cease within 30.48 meters (100 feet) of the discovery; the area must be secured; the Repatriation Coordinator at the Arizona State Museum shall be immediately notified; and the State Historic Preservation Office and the Arizona State Land Department shall also be immediately notified. All discoveries will be treated in accordance with NAGPRA (Public Law 101-601; 25 U.S.C. 3001-3013) or Arizona Revised Statutes (A.R.S. § 41- 844 and A.R.S. § 41-865), as appropriate, and work shall not resume in this area without authorization from the Arizona State Museum.

5) These conditions shall run with the Sale Parcel, and be binding on the patentee's heirs, successors, and assigns.

(B) ROW No. 16-121118 (Wastewater Facility and Related Appurtenances) shall include the following conditions and restrictions:

Grantee shall arrange for a permittee of the Arizona State Museum (ASM) to flag a 100-foot (30.48 m) buffer around the archaeological site AZ U:10:357(ASM) and monitor all ground disturbing activities within this buffer. Grantee shall ensure that if any archaeological, paleontological, or historical site or object, or human remains or funerary object that is at least fifty years old is discovered during monitoring all work shall cease within 100 feet (30.48 m) of the discovery to allow for assessment and evaluation. The discovery shall be reported to the ASLD Cultural Resources Section Manager and ASM and any such discoveries shall be otherwise treated according to A.R.S. § 41-844. If significant cultural resources are discovered

during monitoring, then Grantee shall develop measures in consultation with the ASLD Cultural Resources Section and the State Historic Preservation Office (SHPO) to avoid the resource or conduct a program of data recovery. If cultural resources are inadvertently damaged during Grantee's activities, then Grantee shall arrange for an archaeological damage assessment to be conducted to determine the amount of damage and the need to complete any additional archaeological work. Should human remains be identified, the Repatriation Coordinator of the Arizona State Museum shall be notified immediately and the Manager of the ASLD Cultural Resources Section shall also be notified. Work may not resume within 100 feet (30.48 m) of the discovery without the approval of the ASLD Cultural Resources Section Manager. Grantee shall provide the ASLD Cultural Resources Section with two copies of the monitoring report or any other cultural resource documentation necessary for ASLD to comply with the State Historic Preservation Act.

(C) ROW No. 16-121123 (Public Roadway) shall include the following conditions and restrictions:

- 1) Except for archaeological investigations that are properly authorized under a project-specific Arizona Antiquities Act permit issued by the Arizona State Museum pursuant to A.R.S. § 41-842, Grantee shall not cause nor allow any ground disturbing activity within the boundaries of the archaeological sites recorded at the Arizona State Museum as AZ U:10:6(ASM), AZ U:10:170(ASM), and AZ U:10:6(ASM), without first obtaining the written permission of Grantor. Grantee shall arrange for a permittee of the Arizona State Museum to flag these cultural resources for avoidance. If avoidance is not feasible, Grantee shall provide Grantor with any archaeological plans, studies, or reports that may be needed for Grantor's use in consultation with the State Historic Preservation Office.
- 2) If avoidance is feasible, Grantee shall arrange for a permittee of the Arizona State Museum (ASM) to flag a 100-foot (30.48 m) buffers around the archaeological sites AZ U:10:6(ASM), AZ U:10:170(ASM), and AZ U:10:6(ASM) and monitor all ground disturbing activities within these buffers. Grantee shall ensure that if any archaeological, paleontological, or historical site or object, or human remains or funerary object that is at least fifty years old is discovered during monitoring all work shall cease within 100 feet (30.48 m) of the discovery to allow for assessment and evaluation. The discovery shall be reported to the ASLD Cultural Resources Section Manager and ASM and any such discoveries shall be otherwise treated according to A.R.S. § 41-844. If significant cultural resources are discovered during monitoring, then Grantee shall develop measures in consultation with the ASLD Cultural Resources Section and the State Historic Preservation Office (SHPO) to avoid the resource or conduct a program of data recovery. If cultural resources are inadvertently damaged during Grantee's activities, Grantee shall arrange for an archaeological damage assessment to be conducted to determine the amount of damage and the need to complete any additional archaeological work. Should human remains be identified, the Repatriation Coordinator of the Arizona State Museum shall be notified immediately and the Manager of the ASLD Cultural Resources Section shall also be notified. Work may not resume within 100 feet (30.48 m) of the discovery without the approval of the ASLD Cultural Resources Section Manager. Grantee shall provide the ASLD Cultural Resources Section with two copies of the monitoring report or any other cultural resource documentation necessary for ASLD to comply with the State Historic Preservation Act.

(D) The Certificate of Purchase for the Sale Parcel and the Rights of Way shall be subject to that Arizona State Land Department Commercial Lease No. 03-121496 between ASLD as Lessor and Keith M. Flake as Lessee. The Successful Bidder shall assume all obligations of the Lessor thereunder.

BROKER INFORMATION:

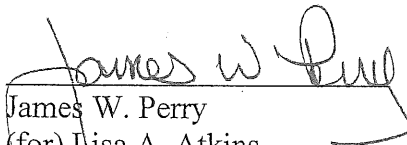
In the event the Successful Bidder has retained the services of a real estate broker, the Successful Bidder shall be solely responsible for compensating that broker.

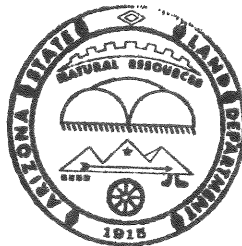
GENERAL INFORMATION:

ASLD may cancel or postpone this auction in whole or in part at any time prior to the acceptance of a final bid.

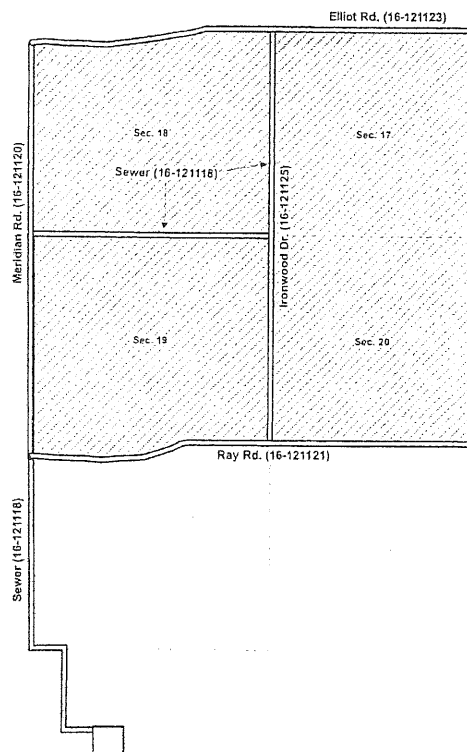
A protest to this sale must be filed within 30 days after the first day of publication of this announcement and in accordance with A.R.S. § 37-301.

THE TERMS AND CONDITIONS CONTAINED WITHIN THIS AUCTION NOTICE SHALL SURVIVE THE DELIVERY OF THE CERTIFICATE OF PURCHASE AND PATENT FOR THE SUBJECT PROPERTY.


James W. Perry
(for) Lisa A. Atkins
State Land Commissioner



7/8/2020
Date



Disclaimer: This map is designed for general overview purposes only. Unless otherwise stated all depictions are approximate. Prospective bidders should review all information in ASLD's records relating to the Subject Property and seek technical or legal advice as needed to assure the understanding of all legal descriptions, plat maps, surveys, and other documents relevant to the Subject Property. Contact ASLD, Real Estate Division at (602) 542-3000 for additional information.